

No items qualify for the Pollution Control Facilities exemption in and of themselves. No transactions are exempt on the basis of the pollution control exemption unless certifications are obtained as described in 86 Ill. Adm. Code 130.335. (This is a GIL.)

April 11, 2003

Dear Xxxxx:

This letter is in response to your letter dated December 31, 2002. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120(b) and (c), which can be found on the Department's website at www.revenue.state.il.us/Laws/regs/part1200/.

In your letter, you have stated and made inquiry as follows:

We have a client who is in the automobile repair business. They would like to know if the purchase of certain equipment would be exempt from sales tax.

The equipment purchased is used in capturing the refrigerant from automobile air conditioning systems being repaired instead of exhausting it into the atmosphere. The second piece of equipment is used to analyze the exhaust emissions from an automobile exhaust system that has been repaired to bring into compliance with the pollution control regulations.

The Form ST-587 'Equipment Exemption Certificate' in Step 4 has a statement, which reads as follows: 'I state that this equipment will be used primarily for pollution control'. Would you please tell us if the above-described equipment would come under this exemption category? If you need any additional information, please call this office. Thank you.

For your information, we have enclosed a copy of 86 Ill. Adm. Code 130.335 concerning Pollution Control Facilities. The pollution control facilities exemption extends to "any system, method, construction, device or appliance appurtenant thereto sold or used or intended for the primary purpose of eliminating, preventing, or reducing air and water pollution as the term "pollution" is defined in the Environmental Protection Act (415 ILCS 5/1 et seq.), or for the primary purpose of treating, pretreating, modifying or disposing of any potential solid, liquid or gaseous pollutant which if released without such treatment, pretreatment, modification or disposal might be harmful, detrimental or offensive to human, plant or animal life, or to property."

No items qualify for the Pollution Control Facilities exemption in and of themselves. No transactions are exempt on the basis of the pollution control exemption unless certifications are obtained as described in 86 Ill. Adm. Code 130.335(a) of the Department's rules. Items that can be used in both qualifying and non-qualifying activities must be used in qualifying activities before the exemption has application.

Refrigerant recovery and recycling units which are intended by manufacturers for the primary purpose of preventing air pollution by preventing the release of harmful gases into the atmosphere, generally qualify as pollution control facilities and are exempt from tax. However, the equipment used to analyze exhaust emissions is generally not considered a pollution control device exempt from tax.

I hope this information is helpful. The Department of Revenue maintains a website, which can be accessed at www.revenue.state.il.us. If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of Section 1200.110(b).

Very truly yours,

Melanie A. Jarvis
Associate Counsel

MAJ:msk
Enc.